

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY (NEWARK)

Caption in Compliance with D.N.J. LBR 9004-1(b)

ONF21-036654
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ATTORNEYS FOR ORION FIRST FINANCIAL AS
ACCOUNT SERVICER FOR MIDLAND STATE
BANK

In re:

AMERICAN LIMOUSINE LLC
dba ADDISON LEE dba RMA WORLDWIDE
CHAUFFEURED TRANSPORTATION dba
FLYTE TIME WORLDWIDE dba TRISTAR dba
AMERICAN LIMOUSINE GROUP LLC,
DEBTOR

Case No. 21-10121-SLM

Judge: HONORABLE STACEY L. MEISEL

Chapter 11, Subchapter V

NOTICE OF OBJECTION TO CONFIRMATION
[DOCKET NO. 141]

The undersigned, LOGS Legal Group LLP, attorneys for the Secured Creditor, Midland States Bank through its account servicer Orion First Financial, LLC (“Midland”), the holder of a secured claim on four (4) 2019 Grech Motors GM33 Shuttle Buses (hereinafter the “Shuttle Buses”) (See Claim No. 55), hereby objects to Confirmation of Debtor’s proposed Chapter 11, Subchapter V Plan (Docket No. 141) on the following grounds:

1) **Objection One: Failure to Provide for Full Claim Amount under 11 U.S.C. § 1129(b)(2)(A)(i)(II).** Debtor filed bankruptcy on January 8, 2021. As of the petition date, Midland’s secured claim was \$254,360.80. The parties agree that the value of Midland’s collateral is \$400,000.00. Plan paragraph 2.2 fixes Midland’s Class 12 claim at \$254,360.80. But, as an over-secured creditor, Midland is entitled to all fees, costs, and interest accruing from the January 8, 2021 petition date through

the plan effective date as an additional component of its claim. 11 U.S.C. § 506(b). Payment of this amount to be determined as of the effective date of confirmation must be provided for.

2) **Objection Two: Failure to Provide for Present Value Interest under *Till*. 11 U.S.C. § 1129(b)(2)(A)(i)(II).**

Plan paragraph 2.2 provides for payment of interest to Midland from the effective date through the final payment date of 4.0% per annum. This is an insufficient rate under *Till*. Interest at the rate of 5.25% per annum is required, considering the depreciating nature of the collateral, the extension of the payout to not sooner than May 2026, and the intended business use of the 4 vehicles. Under the contract, the amount financed and terms of financing were based on a 36-month payout commencing February 28, 2019 and ending on January 2022. The contractual interest rate was 7.5%. (See Proof of Claim No. 55).

3) **Objection Three: Remedies in Event of Plan Default. 11 U.S.C. § 1129(a)(1) & 361.**

To provide adequate protection in the event Debtor defaults on the Plan, the plan should provide for Midland to enforce all of its rights and remedies under the Loan and Security Agreement and applicable state law, including assessment of late fees and remedies, the events of default, as provided in the Loan and Security Agreement.

4) **Objection Four: Insurance and Taxes. 11 U.S.C. § 1129(a)(1) & 361.** To provide

adequate protection, the plan must provide for Debtor to maintain insurance as required by the Loan and Security Agreement. The Plan must provide for Debtor's payment of any and all taxes and fees assessed against the Shuttle Buses, as provided by the Loan and Security Agreement.

5) **Objection Five: Discharge.** The discharge provision does not comply with 11 U.S.C. §

1192. The Plan has three options but does not specify or clarify which option is provided for in the Plan.

6) **Objection Six: Vesting of Property Free & Clear of Liens. 11 U.S.C. § 1129(b)(2)(A)(i).**

Notwithstanding the language in plan paragraph 2.2 regarding Midland retaining its liens until receiving payment under the Plan, plan paragraph 6.1 unambiguously provides that "after confirmation of the Plan, the property dealt with by the Plan is free and clear of all Claims and Equity Interests of Creditors . . ." At best, this creates an ambiguity, and at worst creates a violation of Section 1129(b)(2).

WHEREFORE PREMISES CONSIDERED, Midland States Bank through its account servicer Orion First Financial, LLC, respectfully prays that this Court:

- (A) Deny confirmation of Debtor's Chapter 11, Subchapter V Plan without prejudice to amendment; and
- (B) Grant Midland such other relief in equity or at law to which Midland may show itself justly entitled.

Dated: 5-4-2021

Respectfully submitted,

/s/Elizabeth L. Wassall

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as Account Servicer for Midland States Bank

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CERTIFICATION OF SERVICE

I, the undersigned

1. represent the _____ in the above-captioned matter.
 am the secretary/paralegal for Elizabeth L. Wassall, Esquire, who represents the Secured Creditor in the above-captioned matter.
 am the _____ in the above case and am representing myself.
2. On May 4, 2021, I sent a copy of the following pleadings and/or documents to the parties listed in the chart below:
 - Notice of Objection to Confirmation
3. I hereby certify under penalty of perjury that the above documents were sent using the mode of service indicated.

Signature

Dated: 5/4/2021

/s/ Linda Wright

Printed Name

Name and Address of Party Served	Relationship of Party to the Case	Mode of Service
Dean G. Sutton 18 Green Rd. PO Box 187 Sparta, NJ 07871	Attorney for Debtor	<input type="checkbox"/> Hand-delivered <input type="checkbox"/> Regular Mail <input type="checkbox"/> Certified mail/RR <input type="checkbox"/> E-mail <input checked="" type="checkbox"/> Notice of Electronic Filing (NEF) <input type="checkbox"/> Other _____ (as authorized by the court*)
Devansha L. Modi Lyon, Glassman, Leites & Modi, L.L.C. 215 Ridgedale Avenue P.O. Box 409 Florham Park, NJ 07932 Chapter 11 Subchapter V Trustee	Trustee	<input type="checkbox"/> Hand-delivered <input type="checkbox"/> Regular Mail <input type="checkbox"/> Certified mail/RR <input type="checkbox"/> E-mail <input checked="" type="checkbox"/> Notice of Electronic Filing (NEF) <input type="checkbox"/> Other _____ (as authorized by the court*)
American Limousine LLC 90 McKee Drive Mahwah, NJ 07430	Debtor	<input type="checkbox"/> Hand-delivered <input checked="" type="checkbox"/> Regular Mail <input type="checkbox"/> Certified mail/RR <input type="checkbox"/> E-mail <input type="checkbox"/> Notice of Electronic Filing (NEF) <input type="checkbox"/> Other _____ (as authorized by the court*)
US Trustee US Dept of Justice Office of the US Trustee One Newark Center Ste 2100 Newark, NJ 07102	US Trustee	<input type="checkbox"/> Hand-delivered <input type="checkbox"/> Regular Mail <input type="checkbox"/> Certified mail/RR <input type="checkbox"/> E-mail <input checked="" type="checkbox"/> Notice of Electronic Filing (NEF) <input type="checkbox"/> Other _____ (as authorized by the court*)

* May account for service by fax or other means as authorized by the court through the issuance of an Order Shortening Time.